



March 6, 2014

Florida Regional Consortia

Expression of Interest

Submitted by Panhandle Area Educational Consortium (PAEC), North East Florida Educational Consortium (NEFEC), and Heartland Educational Consortium (HEC)

Federal Communications Commission

Attn: Rural Broadband Experiments Program

445 12th Street SW

Washington, DC

Background: Thirty-two of Florida's 67 school districts (county-wide districts), representing 154,421 (5.8%) out of the State's 2,692,162 students, currently operate at an extreme technological disadvantage with an average of 17 Mbps bandwidth for digital learning reflecting an 83% deficiency in meeting the Florida Department of Education bandwidth recommendation of 100Mbps per 1000 students for Florida schools. This is due to a lack of rudimentary broadband availability, funding restraints, and affordability, in comparison to urban school districts where capacity and competitive pricing are available. Clearly, this digital gap renders extreme difficulties for rural school students to compete academically and in a digital economy, much less comply with the technology goals and objectives of educational and governmental policy makers.

The three Regional Consortia representing these districts have struggled for many years to secure the basic level of connectivity needed to their schools. They have had tremendous difficulty due in large part to their sparse population density and lack of tax base. These districts cover nearly 50% of the State of Florida's geographic area. The Carriers do not find it economically feasible to build new fiber and replace copper to provide acceptable Internet at the schools. As a result, rural schools and districts have not been able to get the pricing or availability enjoyed by their urban counterparts. In an effort to equip their students to live and succeed in an "all digital" world, the three Consortia began developing plans in early 2013 to tackle the problem.

Situation: While the 32 counties represented by the Consortia cover nearly half of the state's land mass, they only make up 5.8% of the student population for the State of Florida. In addition to the critical needs that these schools have, other public and private entities, as well as rural residents in these counties are frustratingly falling further and further behind due to lack of bandwidth.

In many counties, there is not even Internet available to the home above dial up speeds. In fact, one of the carriers is pulling out of the Panhandle area (Northwest) of Florida, therefore, if a resident disconnects their 1.5 Mbps DSL, they cannot re-connect.

Why are Florida's Regional Consortia uniquely qualified to serve the broadband needs of rural districts?

Accountability. By design, the Consortia are owned by and serve at the pleasure of their member districts. They are not-for-profit organizations whose mission is to provide programs and services that the individual districts could not provide as economically or efficiently alone. Each Consortium is audited by State auditors and operates under the same school board policies as its home district. Simply put, the Consortia are an extension of their member school districts. Clearly, the level of transparency and accountability placed on the use of public tax dollars is much greater on government entities and public schools than for profit corporations.

History. Since inception (1967), Florida's Regional Consortia have survived purely on the quality of their programs/services and relationships. Consortia staff understand the needs of their member districts, and districts TRUST the Consortia to develop solutions that address those needs in the most economical and efficient manner. Profit is not a motive. The quality and effectiveness of the solution is the only motive. There is no gain in the misuse of funds by Consortia. Ensuring that federal and state funds are spent wisely to secure broadband services for rural Florida districts is 100% aligned with the principles and operating procedures that have enabled Florida's Regional Consortia to excel for over 40 years.

Target Area Penetration. Florida's Regional Consortia provide full services to 32 of Florida's 67 districts (counties). District membership is limited to districts with 20,000 students or less. Currently, the largest member district serves 12,500 students. Although the student population of these districts is a mere 6% of Florida's student population, the 32 districts cover just under half of the Florida's total geographic area. The Consortia specifically support the most underserved areas across the State of Florida.

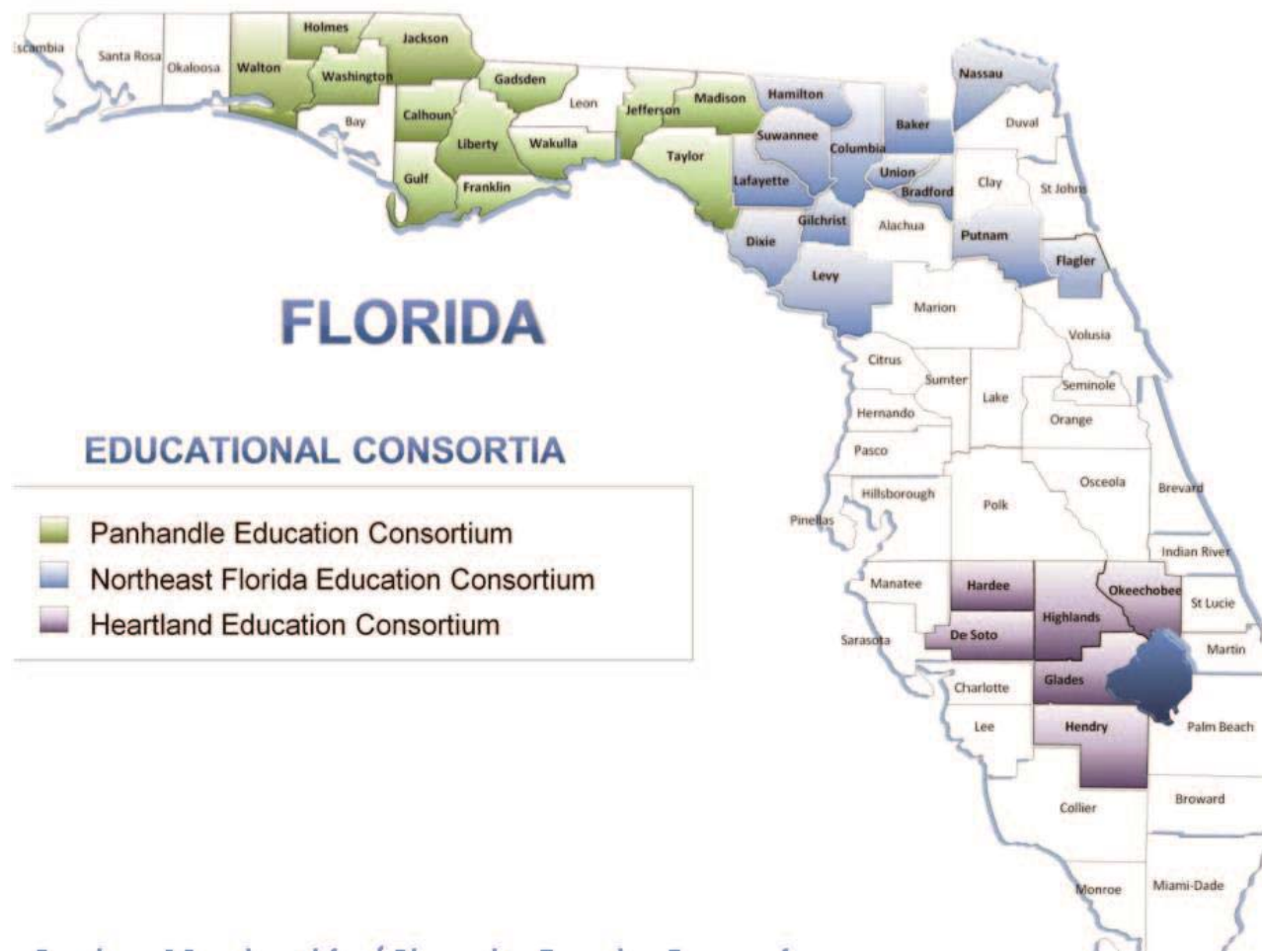
As good stewards of both federal and state funds, the Consortia believe that they are the best candidate to spearhead an effort and manage the funding to bring high capacity fiber connectivity into their schools and to make this fiber available to interested parties at affordable rates throughout their regions.

Partnerships: While the Consortia have put together a budget that delivers high speed Internet and internal services to each of 289 educational organizations within this proposal, they also recognize that managing a fiber network of this size would not be their preference. They have reached out to providers who are willing to partner with them to build, maintain, operate and in some cases own the network proposed in exchange for long term IRUs (Irrefutable Rights of Use). Where a carrier is not willing to provide cost effective broadband services, the Consortia will build, manage and maintain their own network. This is similar to the language in the Rural Health Care program that was initiated in December, 2012, and is referred to as a "hybrid network". Hybrid means some parts of the network are owned by the entity, and some are owned by the provider. This will allow any entity in these 32 counties to access a number of Network Access Points which will keep the cost of bandwidth to these areas at a competitive rate in line with their urban counterparts.

A number of smaller providers have also expressed interest to us that they would like to use the network to serve residents, agricultural entities, small and large businesses, hospitals, healthcare entities, and emergency service entities. Truly, opening up fiber into these 32 counties will benefit all of the residents and anchor institutions, as well as spur economic growth in each region served by the three Consortia.

The Proposed Network and Accompanying Needs: The network will be an all fiber, carrier grade network, with self healing capabilities to three Network Access Points identified. Redundancy will be built into the network itself and to each school wherever possible. The network will be interconnected where available to all carriers, cable companies and other network providers, with a comprehensive net neutrality policy in place so that any entity that needs capacity will have it in these areas. There will be no less than two and perhaps three connections to Network Access Points so that all users can benefit from the lowest costs for bandwidth available.

The middle mile network will span from Northwest Florida, Walton County (PAEC district) to Northeast Florida, Nassau County (NEFEC district), and will also include the lower central area of Florida which is greatly underserved down to Hendry County (HEC district).



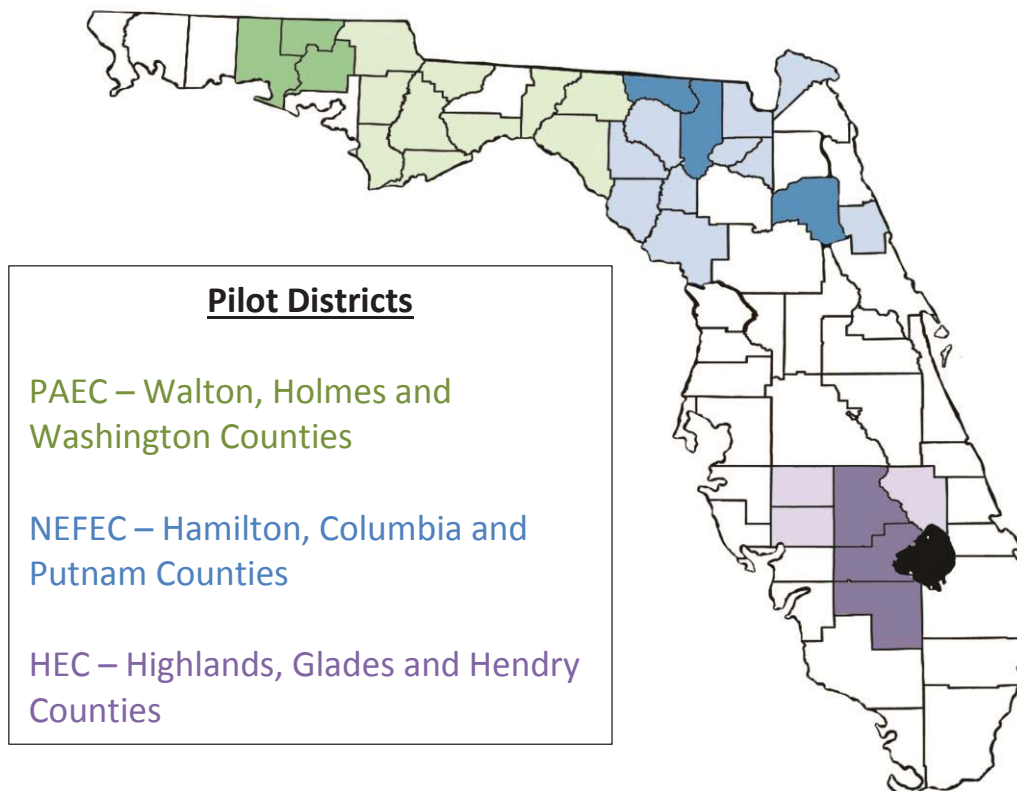
We will run 96 strand fiber in all areas of the middle mile network and ensure that each school has access to no less than 10Gbps of capacity as part of the design specification.

In addition to the middle mile network, we will build out to each educational entity with this funding and re-build what is in some cases 12-year-old internal connections, including switches, routers, cabinets, servers, devices and software for security. Modernizing the internal connections will increase access to teacher training, allow the leveraging of teacher resources for advanced coursework, and allow for dual enrollment classes within each school.

We will also equip all educational entities with state of the art wireless networks so that as the transition to tablet based learning occurs, the schools are ready. Florida is scheduled to be an all digital textbook environment within the next two years via state legislation recently passed.

Pilot: We propose a pilot project be completed no later than one year after funding. Three counties within each Consortium will be built out to the school level in the Pilot, for a total of nine (9) counties and all schools within those counties fully built out during year one.

The balance of the network will be built in years two and three of funding.



Pilot Budget

Middle Mile - \$25,000,000

Connections to each school and district office - \$78,750,000

Project Management and Engineering - \$17,600,000

Staff Development and Salaries - \$5,000,000

Total - \$126,350,000

Total Project Budget

Middle mile - \$55,000,000

Connections to each school and district office - \$250,000,000

Project Management and Engineering - \$51,850,000

Staff Development and Salaries - \$10,000,000

Total - \$366,850,000

This proposal is respectfully submitted. All of the estimated pricing is subject to further analysis, comprehensive engineering and vendor negotiations. The Florida legislature is interested in our effort, and we believe that the State will support us where they can, but simply cannot pick up the tab for this effort.

For many years, the Carriers in Florida have enjoyed the benefits of federal underwriting to get this job done, and have not succeeded. E-rate is phasing out Priority Two funding, and **even** if this funding is available, there is little tax base to match such a large need at the discount rates needed and there is simply no network to connect to in order to support these schools, their children and communities.

We implore you to consider our proposal, and we look forward to your feedback.

Sincerely,

Florida's Regional Consortia
PAEC, NEFEC and HEC